

PROCEEDING

ICBESS 2014

The 1st International Conference on Business,
Economics and Social Sciences

Grand Inna Kuta Hotel, Bali, June 25 - 26, 2014



Published by :
Indonesia College of Economics
(STEI) Jakarta

Sponsored by:



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Ikatan Sarjana Ekonomi Indonesia

ISBN : 978-979-9022-11-0

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PROGRAM

DAY	HOUR	PROGRAM
Tuesday, June 24	16.30-18.00	Registration
Wednesday, June 25	07.30-15.00	Registration
	08.00-09.40	Concurrent Sessions I
	09.40-09.55	Coffee Break
	09.55-10.00	Welcoming Address by the president of STEI (Balangan Ballroom)
	10.00-10.50	Keynote Speech I by Utpal Bhattacharya (Balangan Ballroom)
	10.50-12.10	Concurrent Sessions II
	12.10-13.10	Lunch
	13.10-15.30	Concurrent Sessions III
	15.30-15.40	Coffee Break
	15.40-18.00	Concurrent Sessions IV
Thursday, June 26	07.30-10.00	Registration
	08.00-09.40	Concurrent Sessions V
	09.40-09.55	Coffee Break
	09.55-11.35	Concurrent Sessions VI
	11.35-12.05	Keynote Speech II by M Fuad (Balangan Ballroom)
	12.05-12.10	Closing(Balangan Ballroom)
	12.10-13.15	Lunch
Friday	08.30-15.00	Tour (for international participants only)

PRESENTATION SCHEDULE

Day 1, 8am –9.40am

Room	A	B	C	D
Session chair	Mahfooz A. Ansari	Sekson Yongvanit	Ridha Mejri	Anna Triwijayati
Hours				
08.00-08.20	“Technology Acceptance Model for The New Fixed Assets Tax Accounting Systems” Stephana Dyah Ayu R., S.M. Damar Endah, Agnes Ariece M., St. Lily Indarto (Soegijapranata Catholic University)	“The effect of minimum trading unit and tick size reduction on liquidity and information asymmetry in Indonesia stock exchange” Purwandi Santoso and Lies Zulfiati (Indonesia College of Economics, Jakarta)	“Developing and implementing HR forecasting tools and HR planning (HRF & HRP): A study on Snowy Mountains Engineering Corporation Bangladesh (SMEC Bangladesh Ltd.)” Farheen Hassan and S.M Atiqur Rahman (American International University-Bangladesh)	“Analisa Pengaruh Profitabilitas, Pertumbuhan Aktiva Dan Potensi Pertumbuhan Terhadap Struktur Modal Perusahaan – Perusahaan Di Indonesia Periode 2008-`2011” Lenny Leorina Evinita (Universitas Negeri Manado)
08.20-08.40	“Contextual Factors, Management Accounting Systems Of Design And Managerial Performance In Banten Province, Indonesia” Dadan Ramdhani (Sultan Ageng Tirtayasa University)	“Forest land utilization demand in forest resources managing with community (PHBM) system” Chalimah & Akhmad Sakhowi (Pekalongan University)	“Interaction Style Leadership, Organizational Culture, and the Relationship between Cohesiveness Group Participation with Budgetary Slack (Case Study at the State University of Manado)” Johny Manaroinson (State University of Manado)	“Evaluasi Saham BUMN Industri Konstruksi Berdasarkan Finansial Ratio Menggunakan Metode Analytical Hierarchy Process” Imron HR dan Gatot Prabantoro (Sekolah Tinggi Ilmu Ekonomi Indonesia Jakarta)
08.40-09.00	“Systemic Risk Via Bank Runs : An effort to Maintain Stability of the Financial System” Alfiana (Padjadjaran University)	“Managing University to Industry Knowledge Transfer for Industry Competitiveness” Lina Anatan (Maranatha Christian University)	“Effect of organizational culture to lecturer professional commitment in private higher education in Batam city” Sri Langgeng Ratnasari and Chablullah Wibisono (Batam University)	“Implementasi model pemberdayaan karang taruna sebagai upaya mengurangi pengangguran di pulau Madura” R.M Moch Wispandono, Deni Setya Bagus Y., Farida Nurul Rahmawati (Universitas Trunojoyo Madura)
09.00-09.20	“Do Investors Value the Implementation of Corporate Governance in Indonesia?” Sandy Widjaja (USBI – The Sampoerna University)	“Effect of self-efficacy and commitment to the effectiveness of teaching profession (Causal Study In Manado State University)” Mareyke G. V. Sumual (State University of Manado)	“Prediction model of potential budgetary slack through local government financial statements figures (Case study in Indonesia)” Daissy Erdianthy and Ancella A. Hermawan (University of Indonesia)	“Membangun Database Murah Untuk Manajemen UKM Dengan Sistem Cloud Computing” Maulani Kapiudin (Sekolah Tinggi Ilmu Ekonomi Indonesia, Jakarta)
09.20-09.40	“Investing Capital On Safe And Uncertain Investment Alternatives: An Experimental Study” Mahfuzur Rahman, Mohamed Albaity & Che Ruhana Isa (University of Malaya)	“The influence of U.S. RMA to Indonesia defense policy: the case of military operations other than war (MOOTW) of Indonesia (2001-2010)” Isti Toq’ah (President University)	“The effect of Internal Accountants’ Competence, Managers’ Commitment to Organizations and the Implementation of the Internal Control System on the Quality of Financial Reporting and the Impact on the Financial Accountability” Hari Setiyawati (Mercu Buana University)	“Faktor-faktor yang mempengaruhi foreign direct investment ke Indonesia” Stefani Liem (Universitas Ma Chung)

Room	A	B	C	D
Session chair	Somnuek Panyasing	Dadan Ramdhani	Wiwik Utami	Irvan Noormansyah
Hours				
10.50-11.10	<p>“Peace Building Education Based on Religiosity Teaching Enriched by Local Wisdom in Indonesia’s Post Conflict Areas: Ambon and Poso”</p> <p>Octavianus Digdo Hartomoi, Y. Trihoni Nalesti Dewi, H. Hermawan Pancasiwi, B Resti Nurhayati (Soegijapranata Catholic University)</p>	<p>“The Effect of Economic Crisis in United States Towards the Property Sector Companies Listed in the Indonesian Stock Exchange: A Financial Statement Analysis”</p> <p>Ronny Buha Sihotang (Universitas Advent Indonesia), Francis M. Hutabarat (Universitas Advent Indonesia)</p>	<p>“Antecedents of teaching and learning quality and its impact on accounting student’s learning achievement: partial least square approach”</p> <p>Riris Rotua Sitorus (Universitas 17 Agustus 1945 Jakarta)</p>	<p>“Pengaruh dana pihak ketiga (DPK), <i>capital adequacy ratio</i> (CAR), <i>non performing loan</i> (NPL), dan suku bunga SBI terhadap penyaluran kredit perbankan (Studi Pada Bank Umum Go Public di Indonesia Periode Tahun 2008-2012)”</p> <p>Umi Mardiyati, Elitha Putri Asyifah, dan Gatot Nazir Ahmad (Universitas Negeri Jakarta)</p>
11.10-11.30	<p>“Supervisory Bases of Power and Attitude Change: The Role of Cultural Orientation”</p> <p>Mahfooz A. Ansari (University of Lethbridge), Rehana Aafaqi (University of Lethbridge), Ruslin A. Haida</p>	<p>“Analysis implementation of CBHRM at the state-owned energy sector companies in Indonesia”</p> <p>Sri Suwarsi (Padjadjaran University)</p>	<p>“The Influence of Religiousness and Product Innovation Perceptions toward Trust and Commitment as well as Loyalty of Baitul Maal wat Tamwil Customers”</p> <p>Fatmah (Sunan Ampel State Islamic University), Ali Hamdan (Microfin Indonesia)</p>	<p>“Analisis integrasi nilai tukar lima negara ASEAN”</p> <p>Mafizatun Nurhayati (Universitas Mercu Buana)</p>
11.30-11.50	<p>“From fixed term to quality thinking: a review on cost development”</p> <p>Yosephine Suharyanti (Universitas Atma Jaya Yogyakarta), Indra Bastian (Universitas Gadjah Mada), Subagyo (Universitas Gadjah Mada), Nur Aini Masruroh (Universitas Gadjah Mada)</p>	<p>“Consumer awareness and consumption intention towards halal cosmetics in beauty industry in Indonesia”</p> <p>Olivia Widjaja, and Dibia Abduh (Swiss German University)</p>	<p>“Empowering SMEs entrepreneurs by civil society development concept”</p> <p>Sri Herianingrum (Universitas Airlangga)</p>	<p>“Strategi implementasi inklusi dan literasi keuangan pada lembaga keuangan syariah (BMT)”</p> <p>Husnul Khatimah (Universitas Islam “45” Bekasi)</p>
11.50-12.10	<p>“The descriptive analysis of the poverty reduction program, the microfinance and the poor in Tangerang region (2011-2012)”</p> <p>Wiwik Utami, Dwi Asih Surjandari, Hari Setiyawati (Mercu Buana University)</p>	<p>“Enhancing banking organization performance through competitive advantage (Study on Bank X, Banking Service Units In Malang Residency)”</p> <p>Noermijati and Anisa Rosana (University of Brawijaya)</p>	<p>Capitalism And Illegal Logging In Riau: Approach From Economy-Politic-Communication Perspective (Taufiqurrahman and Muchid Albintani)</p> <p>University of Riau</p>	<p>“Analisis faktor-faktor yang mempengaruhi struktur modal perusahaan manufaktur di Bursa Efek Indonesia periode 2009-2011”</p> <p>Thio Lie Sha (Universitas Tarumanagara) & Christina Catur Widayati (Universitas Mercu Buana)</p>

Day 1, 13.10pm – 15.30pm

Room	A	B	C	D
Session chair	Harnovinsah	Mahfuzur Rahman	Maulani Kapiudin	Lies Zulfiati
Hours				
13.10-13.30	“Development Management Model in Accordance with Sufficiency Economy Philosophy of Farmer Families in Various Geo-social Areas in the Northeast of Thailand” Somnuek Panyasing and Seksong Yongvanit (Khon Kaen University)	“Micro and small franchising as alternative solution to entrepreneurship” Agustine Eva Maria Soekesi, Marcella Elwina Simandjuntak, Anastasia Posmaria Setiaswi Sitohang (Soegijapranata Catholic University)	“Pengaruh kepemimpinan dan kinerja dosen terhadap kepuasan mahasiswa fakultas ekonomi Universitas Negeri Manado” Sjeddie Rianne Watung (Universitas Negeri Manado)	“Konsep Pendampingan Model Kewirausahaan Bagi Anak Jalanan di Kota Palembang” Dedi Rianto Rahadi (Universitas Bina Darma)
13.30-13.50	“Interaction tax incentives and tax audit on compliance” Arniati and Sinarti (Politeknik Negeri Batam)	“Compensation effect on the job satisfaction with work period variables in moderation” Lia Amalia dan Sri Handayani (Esa Unggul University, Jakarta)	“Komunikasi fatis orang tua saat melakukan edukasi advertising literacy pada anak (Studi Mengenai Pendampingan Aktivitas Menonton Iklan Produk Anak di Televisi)” Donna Asteria (Universitas Indonesia)	“Persepsi Tentang Etika Bisnis” Riane Johnly Pio dan Johny Revo Elia Tampi (Universitas Sam Ratulangi)
13.50-14.10	“The effect of corporate social responsibility to firm value with management ownership as moderating variable (2010-2012 IDX listed mining companies case study)” Marliando Hinaloy and Dewi Anggraini (Mercu Buana University)	“Attitude towards corruption, academic cheating experience, and political activity” Falasifatul Falah (Sultan Agung Islamic University)	“Pengaruh kepemilikan ultimatum terhadap praktik classification shifting” Maria Lana Liris dan I Putu Sugiarta Sanjaya (Universitas Atma Jaya Yogyakarta)	“Fluktuasi harga cabai merah keriting di sentra produksi dan pasar induk (Tinjauan Harga Cabai Merah Keriting di Kecamatan Cikajang, Pasar Induk Gedebage, Pasar Induk Caringin dan Pasar Induk Kramat Jati)” Dety sukrawati dan Lies Sulistyowati (Universitas Winaya Mukti)
14.10-14.30	“The relationship between infrastructure practices and core practices of TQM and organizational learning: An empirical study on Indonesia’s and Malaysia’s ISO 9001 registered Manufacturing Companies” Sisnuhadi (Duta Wacana Christian University)	“Learning style profile: Assessment of accounting students’ learning style and its implication for instructional design” Diana Tien Irafahmi and Yuli Widi Astuti (State University of Malang)	“Pengaruh green innovation terhadap keunggulan bersaing produk (Studi Empirik pada UKM batik Ciwaringin Kabupaten Cirebon)” Lili Karmela Fitriani (Universitas Kuningan)	“Faktor-faktor pendorong partisipasi nasabah kelas menengah keatas pada program bank sampah Malang” Lena Fransiska Purnomo dan Etsa Astridya Setiyati (Univeritas Ma Chung)
14.30-14.50	“The effects of leadership effectiveness and work culture on task commitment” Joseph Phillip Kambey (State University of Manado)	“Gamers’ Interpretation Of Myths: A Semiotic Analysis Of The Serious Video Game “The Battle Of Baratayudha”” Muhamad Gibraltar (President University)	“Analisis loyalitas konsumen yang dipengaruhi kepuasan, kepercayaan dan komitmen konsumen: studi pada pelanggan transportasi Rosalia Indah, Karanganyar” Andriyastuti Suratman (Universitas Islam Indonesia)	“Analisis terjemahan makna berkonteks budaya dalam novel Edensor karya Andrea Hirata oleh John Colombo: Kajian keakuratan dan keberterimaan” Endang Dwi Hastuti (Universitas Veteran Bangun Nusantara)
14.50-15.10	“Factors affecting foreign direct investment in five ASEAN countries and its implication for Indonesia in entering ASEAN economic community” StefanusYufra M. Taneo (Ma Chung University)	“The significance of cultural factor in English and Indonesian business letters” Syahron Lubis (University of Sumatera Utara)	“Pengaruh kepemimpinan dan insentif terhadap prestasi kerja karyawan (Studi Kasus Pada PT. Integra Amanah Karunia)” Ryani Dhyana Parashakti (Universitas Mercu Buana)	“Strategi komunikasi pariwisata dalam city branding kota Cirebon; the gate of the secret” Nurul Chamidah (Universitas Muhammadiyah Cirebon)

15.10-15.30	<p>“Effect of audit rotation, audit fee and auditor competence to motivation and implications on audit quality (Study in Registered Public Accountant Firms at Bank Indonesia)”</p> <p>Wiwi Idawati (Sekolah Tinggi Ilmu Ekonomi Indonesia Jakarta)</p>	<p>“Is It Traditional or Contemporary Marketing Strategy? An Empirical Study by Conducting A Cluster Analysis @MercuBuana_Reg Twitter Account”</p> <p>Anggi Dewita, Yuli Harwani, Arissetyanto Nugroho (Universitas Mercu Buana, Jakarta)</p>	<p>“Relasi profesionalisme auditor dengan tingkat materialitas dalam audit laporan keuangan (Studi kasus kantor akuntan publik (KAP) di Jakarta Utara”</p> <p>Krishna Kamil & Rachmanita Saraswati (STEI)</p>	<p>“Pengaruh konsep diri dan kompetensi guru terhadap kinerja guru SMKN 51 Jakarta Timur”</p> <p>Corry Yohana</p>
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Day 1, 15.40pm – 18.00pm

Room	A	B	C	D
Session chair	Lia Amalia	Adrie Putra	Sri Handayani	Doddi Prastuti
Hours				
15.40-16.00	“Identification of teachers’ edugame – based entrepreneurship” Agustine Eva Maria Soekesi, Ridwan Sanjaya, Vincent Didiek Wiet Aryanto, Anastasia Posmaria Setiasiwi Sitohang (Soegijapranata Catholic University)	“Working successfully with Tunisians” Ridha Mejri (University of Applied Sciences Worms, Germany)	“Perilaku disjunction: Analisis efek di bursa efek Indonesia (BEI)” MF. Arrozi Adhikara dan Dihin Septyanto (Universitas Esa Unggul Jakarta)	“Daya Saing Usaha Kecil Menengah (UKM) di Pasar Ular, Plumpang Jakarta Utara” Endang Sri Rahayu (Universitas Negeri Jakarta)
16.00-16.20	“Should a child be allowed to give evidence? The position of child evidence under civil and Islamic laws in Malaysia” Muhammad Hafiz Mohd Shukri (Universiti Malaysia Sarawak), and Mohd Khairul Hisyam Hassan (Universiti Malaysia Sarawak)	“The role of corporate governance mechanism on firm value, and moderating effect on profitability: Evidence from Indonesian manufacturing company” Yeni Januarsi and Enok Nurhayati (Sultan Ageng Tirtayasa University)	“Analisis profil pengguna sosial sebagai penggagas konsep pengembangan masyarakat (Studi kasus pada pengusaha sosial di kabupaten Bantul Yogyakarta)” Laily Rahmah (Universitas Islam Sultan Agung)	“Kepemimpinan Lokal Sebagai Agen Perubahan Dalam Membentuk Pengembangan Masyarakat Pada Kelompok Posdaya Mekarsari Desa Polokarto Kabupaten Sukoharjo” Betty Gama (Universitas Veteran Bangun Nusantara)
16.20-16.40	“A Conceptual Model for Investigating the Possibility Effect of Environmental Uncertainty on the Relationship between Supply Chain Operational Capabilities and Business Performance” Sulaeman Miru and Suryadi Hadi (Tadulako University)	“Interaction of competitive strategy and ownership on firm performance, partial least square approach” Sihar Tambun (Universitas 17 Agustus 1945 Jakarta), Paulina Permatasari (Universitas Katolik Parahyangan)	“Harga saham dan variabel mikroekonomi: uji kausalitas T-Y granger studi empiris pada IHSG yang terdaftar di bursa efek Indonesia (BEI) tahun 2008-2012” Hamidah, Denni Yoga Pradana, dan Umi Mardiyati (Universitas Negeri Jakarta)	“Pengukuran kinerja portofolio optimal saham menggunakan indeks Sharpe, Treynor, dan Jensen di Bursa Efek Indonesia: Studi pada indeks Kompas 100” Tarsisius Renald Suganda (Universitas Ma Chung)
16.40-17.00	“Phenomenological conceptual framework to understanding leadership experience in leadership efficacy development” Pieter Sahertian dan Christea Frisdiartara (Kanjuruhan University of Malang)	“The empowerment of women economy by developing entrepreneurship” Grace Jenny Soputan (State University of Manado)	“Upaya Peningkatan Sustainability dan Kemitraan Jangka Panjang Usaha Kecil Menengah Di Surabaya dan sekitarnya: Sebuah Studi Eksploratori” Lena Ellitan and Yulius Koesworo (Unika Widya Mandala Surabaya)	“Kajian Peran Sosial Media Sebagai Media Komunikasi Pemasaran UKM Dengan Pendekatan Honeycomb Framework Kietzmann” Gatot Prabantoro (Sekolah Tinggi Ilmu Ekonomi Indonesia, Jakarta)
17.00-17.20	“Theatrical clerics in religious ritual” Syaiful Rohim (Universitas Muhammadiyah Prof.Dr.Hamka)	“Financial transparency and webtrust for website of local governments in West Nusa Tenggara province” Intan rakhmawati and Siti Atikah (Mataram University)	“Model Kesuksesan Kewirausahaan pada Wirausaha UKM” Mulya Virgonita I. W. (Universitas Semarang)	“Analisis kepuasan mahasiswa (consumer satisfaction) fakultas ekonomi Universitas Negeri Jakarta berbasis tujuh standar akreditasi BAN-PT 2010” Tuty Sariwulan (Universitas Negeri Jakarta)
17.20-17.40	“Conceptualization of maqasid al shariah on corruption measurement model” Tika Widiastuti (Airlangga University)	“Affect student learning and teacher competencies on student achievement in economic class 11 th grade social science SMA Negeri 1 Tanjung Beringin class year 2013/2014” Dearlina Sinaga (Universitas HKBP Nommensen)	“Analisis struktur kognitif konsumen terhadap preferensi minuman jus buah private brand and national brand” Devina Amelia Nugraha dan Etsa Astridya Setiyati (Ma Chung University)	“Studi tentang hubungan antara kepuasan kerja dengan kinerja staf-staf non akademik Universitas Negeri Manado” Shelty D. M. Sumual (Universitas Negeri Manado)

17.40-18.00	“Factor analysis of distro store atmosphere in Bandung city: Case study on Distro UNCL 347” Teguh Iman Basuki (STIE EQUITAS Bandung)	“Reception of Jakarta’s Urban Men about the Concept of Gentrosexual Man in FHM Magazine Konstruksi Pembaca FHM Indonesia Terhadap Genre Laki-laki Gentroseksual” Rizky Kertanegara (Universitas Paramadina, Raden Ayu Wulantari (Universitas Sriwijaya)	Method Evaluation In Measuring Brand Image And Brand Quality Using Rating, Ranking And Pick-Any Approach (Marhadi And Taufiqurrahman, University of Riau)	Decision Making: Suatu Pola Pembiayaan Atas Dasar Kredit Bank, Leasing dan Pembelian Tunai Upaya Meminimalkan Pembayaran Pajak Sulistyowati and Winda Anglingsari (Sekolah Tinggi Ilmu Ekonomi Indonesia)
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Day 2, 08.00am – 09.40am

Room	A	B	C	D
Session chair	Muhammad Gibraltar	Johny Manaroinson	Hari Setiyawati	Rina Astini
Hours				
08.00-08.20	“The analysis of entrepreneurs’ willingness to start small or medium-sized enterprises (SME)” Waseso Segoro (Gunadarma University), Hada Siti Maesyaroh (Gunadarma University)	“Model For Community Empowerment By Access To Capital For Poverty Alleviation Efforts” Ana Sopanah (Widyagama University of Malang), Gunariato (Widyagama University of Malang), Djuni Farhan (Gajayana University of Malang)	“Penerimaan terhadap keterbukaan seksual remaja di media” Rizky Kertanegara (Universitas Paramadina)	“A Knowledge Management Scorecard Model For Private University” Heni Nurani H. Tacbir and Hendro Pudjiantoro (Jenderal Achmad Yani University)
08.20-08.40	“Income Smoothing Tendency, Risk Tolerance, and Audit Firm Size” Putu Agus Ardiana (Udayana University)	“Empowerment strategy based on the poor livelihood pattern in the suburbs Musi river Palembang” Rahmad Effendi (Bina Darma University)	“Prinsip Good Governance Dan Keberhasilan Penganggaran Berbasis Kinerja Pada Satuan Kerja Perangkat Daerah Kota Tangerang” Dadan Ramdhani (Sultan Ageng Tirtayasa University)	“The impact of audit quality on real earnings management: Study on manufacturing sector in the Indonesian stock exchange” Sasono Astho Baskoro and Wiwik Utami (Mercu Buana University)
08.40-09.00	“Does Bank Relationship Matter for the Colleges? A Case Study in Sebelas Maret University” Aniek Hindrayani (Sebelas Maret University)	“Intellectual Capital, Performance and Business Strategy Case Study: Manufacturing Companies Listed in Indonesia Stock Exchange” Lies Zulfiati, Flourien Nurul Chusnah, Diana Supriyati (Indonesia College of Economics – Jakarta)	“Interpretasi pemirsa terhadap mitos (Analisis Semiotika Terhadap Iklan Sari Serat Alami Merek X di Televisi Antara Tahun 2009-2011)” Muhamad Gibraltar (President University)	“Development Model of BMT (Baitul Maal Wat Tamwil) in West Sumatera” Yulihar Mukhtar dan Nelmidia (Universitas Bung Hatta)
09.00-09.20	“Factors affecting the financial performance of Saccos in Kenya – A case of selected Sacco’s” Stephen Muatha Maingi (Jomo Kenyatta University College of Agriculture and Technology/Kenya School of Monetary Studies)	“Experience quality, perceived value, satisfaction, and behavioral intentions for religious tourism” Fety Ilma Rahmilla and Andi Rahadian Wijaya (Gadjah Mada University)	“Timbulnya principal’s moral hazard, saat pemberian kredit pada bank perkreditan rakyat kepemilikan manajerial” I Nyoman Nugraha Ardana Putra (Universitas Mataram)	“Analysis of factors affecting entrepreneurship behavior through the dimensions of employee satisfaction in construction company” Rojuaniah (Universitas Esa Unggul)
09.20-09.40	The analysis trade effect of return of investment announcement with differs between do’s and not do’s the income smoothing: Study case on listed company in LQ 45” Poppy Indriani (Bina Darma University), Harnovinsah (Mercu Buana University)	“Desirable lecturer characteristics: Findings from management and business school students in Jakarta and Bandung, Indonesia” Agung Wahyu Handaru (State University of Jakarta), Adzhani Achmad (State University of Jakarta), Nila K. Hidayat (Swiss German University), Wien Dyahrini (Widyatama University)	“Pengaruh interdependensi antar departemen terhadap sistem informasi akuntansi manajemen dan implikasinya terhadap kinerja manajerial: Survey pada kabupaten Agam, Sumatera Barat” Rilla Gantino (Esa Unggul University)	“Human Resource Department’s Data Warehouse and Data Mining Design for Lecturer Performance Analysis in Higher Education Institution” Santy, Eka Miranda, Julisar (Universitas Bina Nusantara)

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Hours				
09.55-10.15	“The influence of auditor’s competency and auditor’s motivation to audit quality: A survey on external auditor at public accountant listing at Jakarta” Rina Yuliastuty Asmara (Mercu Buana University)	“Utilization of facebook account to support relational marketing strategy at Mercu Buana University by cluster analysis” Tatik Nur Khayati, Yuli Harwani, Janfry Sihite (Universitas Mercu Buana, Jakarta)	“Bias-kah penilaian kinerja karyawan anda? Pengaruh motivasi penilai (rater) terhadap terjadinya <i>leniency error</i> ” Regina Deti dan Lucky Aviandra (Universitas Katolik Parahyangan, Bandung)	“Growth and Inequality” Emi Suwarni (Bina Darma University)
10.15-10.35	“Review on Islamic bank’s corporate governance mechanism: can the role of audit committee become an intervening variable for bank performance?” Sigit Pramono, Muhammad Makhrus (SEBI School of Islamic Economics)	““New Eastern Woman” Construction in Harper’s Bazaar Magazine Cover” Poppy Febriana (University of Muhammadiyah Sidoarjo)	“Peran pendidikan integritas dalam community-building menuju ASEAN community 2015” Asriana Issa Sofia (Universitas Paramadina), Retno Hendrowati (Universitas Paramadina)	The Effect Of Compensation And Organizational Culture On Employee’s Commitment And Performance At Secretariat Office Of The House Of Representative Of Riau Province (Taufiqurrahman and Gatot Wijayanto University of Riau)
10.35-10.55	“Politeness Strategies of Bruneian Malay Youths in Compliment Speech Acts: Results of 2nd Phase of the Study” Kamsiah Abdullah (Universiti Brunei Darussalam)	“Bringing Blue Ocean Strategy to Indonesia Food and Beverage (F&B) Manufacturing” Firdaus Basbeth (Universitas Padjadjaran)	“Intensi berpindah kerja karyawan alihdaya industri jasa di Jakarta dan sekitarnya (Studi pengaruh keadilan organisasional distributive dan kepuasan kerja terhadap intensi berpindah kerja karyawan dengan komitmen organisasional afektif sebagai variabel antara)” S. Widie Tjahjanto	“ASEAN-China Free Trade Area (ACFTA) and Indonesia Food Security: Securing National Fruit Market Through Housewives Role in the era of ACFTA” Sri Wijayanti, Renny Miryanti, Tundjung Linggarwati (University of Jenderal Soedirman)
10.55-11.15	“The analysis of the influence of financial behavior on investors’ decision and the performance of stock investment” Nurlis, and Andi Mario (Universitas Mercu Buana)	“Performance Audit and Good Governance in Local Government Ogan Komering Ulu (OKU)” Hardiyansyah (Universitas Bina Darma)	“Efek mediasi customer needs terhadap perilaku pembelian pakaian wanita: kajian mengenai self-directed value dan social affiliation values konsumen di tiga department store (centro, metro, dan matahari)” Rina Astini (Universitas Mercu Buana)	“Equity Market Integration – Egypt and Palestine Experience” Abdul Razak Abdul Hadi, Shadi Ali Hamad, Mohamed Hisham Yahya, Tahir Iqbal (University of Kuala Lumpur)
11.15-11.35	“An Analysis of Country of Origin Effect Based on The Product-Brand Centric Model” Sulhaini (University of Mataram)	“Value by Design : The Role of Utilitarian and Hedonic Benefit Value for Customer Coffee shop” Purwanto, Lulus Margiati dan Kuswandi (Universitas WR. Supratman Surabaya)	“Analisis Karakteristik dan Perilaku Konsumen Tenun Songket Palembang” Istiharini, dan Maria Merry Marianti (Universitas Katolik Parahyangan)	“Strategic implementation model of good corporate governance: a case study of Indonesian company” Wahyudi Wibowo, Hananiel M. Gunawan (Universitas Pelita Harapan Surabaya)

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From fixed term to quality thinking: a review on cost development

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ABSTRACT

Cost creates values in the design of industrial systems. In nowadays business, cost is one of the key success factors altogether with quality, time, and innovation. This important role of cost leads the review on the development of cost as describe in this article. The review is based on mostly cited article about cost from around 1900 to now, regarding to the changes in industrial environment. Identification and mapping of the definition and the role of cost in those articles bring out four phases of cost development, i.e. cost as fixed term, cost as function, cost as components, and cost as quality. Based on analysis of a forecast of future industry focuses, the discussions and/or researches on cost as performance accelerator are suggested to be the future focus.

Keywords:

cost development, fixed term, function, components, quality, performance accelerator

1. INTRODUCTION

1.1. The role of cost

Costs take the main role in every area of activities, especially in industrial activities. One main challenge in industrial activities is designing factory of the future (Turner et al, 1987). Once the nowadays goals are achieved, the next future goals are born. In other words, the main industrial concern is design of industrial systems. Further, Zandin and Maynard (2004) describe the main fundamental aspects of industrial activities, i.e. planning, analysis, control, and management. Costs create the values in these activities.

Costs create plan, for instance, in the design a budgeting system. Costs become parameter for analysis and decision making, for example in evaluating alternative economic decisions, performing value engineering studies, and so on. Costs are also tools for control and operational action such as in design and implementation of capital flow procedures. In the term of management aspect, costs are the agents for performance development. Designing meaningful cost-reduction program is the example of the role of cost in management (Turner et al, 1987). Related to performance development, Ryan (1995) discusses cost as logical consequence of resources consumption caused by a business decision which is called opportunity cost.

In nowadays business, companies are insisted to use value chain and supply chain to deliver their performance. In this environment, cost is one of the key success factors altogether with quality, time, and innovation (Horngren et al, 2012).

1.2. The change of industrial environment

Industrial systems are created as the impact of development in engineering. Discussing industries means discussing engineering. According to Turner (1987), the engineering development prior to year 1800 is related to macro

physical phenomena such as physical forming (press, bending), resizing (cutting, milling), constructing (arranging, assembling, fastening), and material management (lifting, storing). For instance, the flying shuttle developed by John Kay in 1733, the spinning jenny invented by James Hargreaves in 1765, the water frame developed by Richard Arkwright in 1769, and the most important innovation, the steam engine developed by James Watt in 1765 (Zandin and Maynard, 2004).

Then, during year 1800 to 1900, the micro physical and chemical phenomena such as electricity, material properties, thermal processes, and chemical processes were developed. The early birth of engineering was in the wars era around World War I (1915), thus the discipline was referred as military engineering. The early concern of this discipline was building road and bridge for war. After the war was over, the activities turned to building civil facilities so it was called civil engineering. Driven by the development of steam engine founded by James Watt in 1765, the mechanical engineering was born in the early of 20th century. Next, the works concerned to electricity and magnetism, and there was a new discipline called electrical engineering. Because of the needs to learn the nature of matter and the process related to the matter, then the chemical engineering was born. After all, the most capitalized industrial organizations in the mid of 20th century led to the rising of mass production, which pushed the birth of industrial engineering, which was also the birth of industry as a whole (Turner, 1987).

The James Watt's steam engine made steam practical as a power source for many applications. It provided cheaper power, lower production cost, greatly expanded market, and led to mass production. The concept of a production system, the core of modern industrial engineering practice and research, was born in this situation (Turner, 1987).

Turner (1987) maps the eras of industry growth from year 1500 to 1990. Between 1500 and 1800, much fundamental work was done on economic aspect such as accounting method. During 1800 to 1900, the concept of interchangeable parts introduced by Adam Smith led to efficiency increase. Shop management and scientific management defined by F.W. Taylor around 1890s, which were then manifested in concept of overall planning and scheduling of entire production processes, initiated the productivity thinking (Zandin and Maynard, 2004).

Some new methods, still in the context of increasing efficiency, emerged between 1900 and 1930, i.e. time and motion study formulated by F.B. Gilbreth and Lilian Gilbreth, decision and specialization of labor from Adam Smith, principle of standardization, mass production, piecework management, and concept of organization, encouraging the overall coordination of a factory (Turner, 1987).

The next twenty years, 1930 to 1950, is the period for increasing productivity. Statistical Quality Control, management planning, inventory models, wage incentive plan, queue theory, labor union, layout design, material handling design and technology, human relations concept, engineering economy, management controls, and tool design are some categories can be mentioned. The development of these methods was driven by the rise of operations research (Turner, 1987).

In the next period, the orientation of the industry development moves to performance increase. Network technique, the concept of human factors, operations analysis, mathematical programming, simulation approaches, optimization theory, concept of system engineering, decision theory, information system, time sharing, teleprocessing, numerical control, concept of reliability, automation, material requirement plan (MRP), system design, and resource management are some of the method and technologies developed between 1950 and 1980. This development was affected by the rise of digital computer technology (Turner, 1987).

Further, driven by the emergence of service industries, the acceleration of performance increase becomes the focus of industry development during 1980 to 2000, enforcing the emergence of group technology, flexible manufacturing system, distributed data processing, Japanese production techniques, artificial intelligence, personal computer, computer-aided design/computer-aided manufacturing (CAD/CAM), robot, and computer-integrated manufacturing (CIM).

Manufacturing Challenges for 2020 (1998) forecasts the future industry development up to 2020. Concurrent engineering, integration of human and technical resources, conversion of information to knowledge, environmental compatibility, reconfigurable enterprises, and innovative processes are the main issues in this era. The emergence of shared manufacturing and supply chain management (SCM) in 2000s is the comprehensive results of those approaches.

Zandin and Maynard (2004) describe the shifting of the dominant function in industries. They categorize the functions into three levels, i.e. operation control (bottom), management control (midst), and strategic planning (top). The dominant function shifts from operation control in 1960s to strategic planning since 1980s until now. Figure 1 presents the portion of the functions domination between 1960 and 1980.

10% strategic planning	10% strategic planning	15% strategic planning	20% strategic planning
30% management control	40% management control	45% management control	50% management control
60% operation control	50% operation control	40% operation control	30% operation control
1960-1965	1965-1970	1970-1975	1975-1980

Figure 1. Dominant function in industries (Zandin and Maynard, 2004)

2. REVIEW ON COST CONTEXT

2.1. Researches on cost in conceptual context

There is no research publications came from year before 1900. Thus, the following review is performed based on publications after year 1900.

Examples of articles discussed the concept of cost structure are Eggleston (1906), Bentley (1913), and Lazarus (1923). Eggleston (1906) discusses about factory cost, which is estimated from material cost, labor cost, indirect cost, supplementary rate on undistributed indirect cost. Meanwhile, Bentley (1913) defines costs in the term of direct labor, material, and expenses burden. Then, the idea of using predicted value of cost is emerged, such as the concept of standard cost discussed by Lazarus (1923). There, standard cost is addressed as the refinement of accounting in the term of giving information not clearly or promptly given by actual cost.

While the standard cost concept still being analyzed and developed further, more functional definitions of costs are then raised, for instance the marginal cost concept, absorption cost, the system of job costing and process costing, and the cost of opportunity. Matz (1950) discussed about marginal cost, i.e. the additional cost required to produce one more unit. Because the marginal costs are estimated from direct costs in the term of total – not distributed – cost, thus the profit and cost are the real value, and it will enable the better control for the related business. However, the inability of marginal cost in explaining the cost detail makes it failed to illustrate the individual product cost.

The discussion of absorption cost is related to the level of direct cost, such as presented by De Vos (1966), Morgan (1970), and Arnstein (1975). De Vos (1966) discusses the utilization of absorption costing to get more realistic budget through monthly forecast of inventories. Morgan (1970) contrasts the absorption cost and direct cost performance. Direct cost is defined as inventory costing method including only the variable cost to estimate product cost, while the overhead cost is expired on the sales. In absorption cost, the fixed cost is included, which can be deferred until the products are sold. Morgan concludes that the direct costing guides the management in a competitive situation. The discussion on the contrast of direct cost and absorption cost is continued, such as presented by Arnstein (1975). It reviews the considerations to choose which direct cost or absorption cost.

Aimed at fitting the cost system to the real condition, De Vos et al (1968) proposes the four combination of cost system, i.e. actual-job-order costing, standard-job-order costing, (3) actual-process costing, (4) standard-process costing. Further, under consideration that the industrial system is dynamic, Harman and Henrichsen (1970) and Bethlehem (1973) give idea of cost factor and opportunity cost. Harman and Henrichsen (1970) define such a cost

factor, a multiplier to estimate more realistic cost for the future. Cost factor is function of program length and technology advancement, while cost is function of time, effort, and resources. Bethlehem (1973) reminds that the overall cost must cover opportunity cost (include capital cost), operational cost, overhead cost, and out-of-pocket cost.

So far, all the thinking about cost described above is based on product as the cost object. After 1980s, the idea of using activities as the basis of cost estimation emerges. Banker (1981) writes the idea of activity-based thinking. He concludes that cost estimated based on activity is more consistent than cost estimated based on cost center. The more definitive concept about activity-based thinking is proposed by Cooper and Kaplan (1988), and this is named as activity-based costing (ABC). In ABC, costs are estimated based on activities such as logistic, production, marketing and sales, distribution, services, technology, financial administration, information resources, and administration. Gadd (1989) adds detail thinking about cost estimation, which includes installation cost, design and layout cost, and assembly cost. On the implementation of ABC, Christensen and Demsky (1995) note that combination of ABC and classical theory will give advantages. The ABC gives the efficiency related to the link of the cost estimation to the system management, while the traditional theory gives the effectiveness in the detail estimation of the cost components.

Some researches closer to year 2000s concern to the potentially ignorable cost components, which are in some cases can lead to profit overestimation. Ruiz-Zaiko and Benjamin (1997) say that planning cost is potentially ignorable cost component. Planning cost consists of administration cost, management fee, plan termination cost, plan management cost, which are often assumed insignificant. The other ignorable cost component is cost of potential usage of resources or potential transaction cost (Allen, 1999). This kind of cost must be estimated in the term of standard or budgeted cost, not the real transaction cost (actual). This approach is important especially for a probabilistic system.

After 2000s, performance and quality become the focus in industrial system. In accordance to this condition, cost is also developed based on performance and quality thinking. McLaren et al (2002) proposes idea about supply chain (SC) cost, which is constructed from cost of processes, cost of inventories, and cost of products. Because of the diverse and complexity of SC systems, different system will need different cost model and give different benefit-cost consequences. In the context of comprehensive system, cost of two same products can be different. Cost difference between two same products is affected by the difference on quality, capacity, location, and quantity (Clerides, 2004).

A comprehensive review about cost of quality is written by Schiffauerova and Thomson (2006). There are five model categories of cost quality, i.e. prevention-appraisal-failure (PAF) model, Crosby model, opportunity/intangible model, process cost model, and ABC model. PAF model defines quality cost as combination of prevention cost, appraisal cost, and failure cost, and is discussed in article published around 1950s to 2000s. In Crosby model, quality cost covers conformance and non-conformance cost as discussed in some papers published around 1980s to 2000s. The opportunity/intangible model is derived from PAF and Crosby model by adding opportunity cost. Some papers use intangible cost to mention opportunity cost. The discussion of opportunity cost is presented in papers published around 1980s to 2000s. The ABC model, which is discussed at year around 1985 to now, defines quality cost as value-added and non-value-added cost (1988-1993). Most applied quality costs are based on PAF. In general, quality cost includes assets and materials cost, preventive labor cost, appraisal labor cost, defect cost per 100 units, cost of late deliveries. The other non-cost metrics generating quality cost are % of repeat sales, time between service calls, number of non-conforming calls, and number of complaints.

2.2. Researches on cost in case context

Eppston (1920) performs a research in a valve factory. The cost estimation conducted there is based on the processes, i.e. inventory costs, labor costs, material costs, overhead cost, and spoiled costs. A more functional definition of cost is described in a case study of wood industries performed by Coolidge and Pfeiffer (1956). It formulates the total operation cost as the sum of production cost and sales and management cost. Production cost is estimated from material cost, utility cost, labor cost, and investment cost. Investment cost consists of process development cost, promotion and organizational cost, land cost, physical factory cost, and initial working capital. In addition to common cost components described previously, the other cost components important to include is

recommended by Quade (1971) in a case study in the USA Department of Defense. Those cost components are social opportunity cost and implementation cost.

Close to year 2000s, variation of industry field increases and case studies on service systems begin to increase. Example of the studies on service industries are case of development of public transportation by Litman (1999) and case of health service by Phillips (2009). Litman (1999) studies the costs involved in development of public transportation in people centered area. He defines cost as benefit foregone, estimated from resources usage, which is consisting of money, time, other resources, and potential benefit loss. Cost of public transportation includes costs of vehicle ownership, vehicle operation, operating subsidies, user travel time, internal accident, external accident, internal parking, external parking, congestion, road facilities, roadway land value, municipal services, equity and option value, air pollution, noise, resource consumption, barrier effect, land use impacts, water pollution, and waste disposal. In the case study of health service, Phillips (2009) defines cost as cost of intervention, which consists of direct costs, productivity costs, and intangible costs. Direct costs include medical cost and patient cost. Productivity costs cover cost of production loss and time usage. Intangible cost is caused by effect of the intervention such as pain, suffer, etc. To measure the performance of the system, Phillips (2009) defines cost effectiveness ratio (CER), i.e. ratio of intervention cost to health effect resulted such as age.

A case study on automobile industries performed by Shank and Fisher (1999) discussed about target cost, which is defined as product cost generated from sales cost estimation and targeted profit. Target costing is appropriate to be applied in the manufacturing phase of product life cycle. Different approach in defining cost is done by Westcott and Hoffman (1999) in a case study on corn and wheat farming. Cost consists of land ownership cost, yearly rent, initial cost, and production cost. The costing decision is not easy in this kind of industry, because the main factors affecting corn and wheat prices are market force and government program. The spread of the cost estimation approach is caused by the different constraint and performance parameter of the industries.

3. THE STAGES OF COST DEVELOPMENT

Based on the review on cost context described above, the development of cost can be divided into four phases, i.e. cost as a fixed term, cost as a function, cost as components, and cost as quality.

3.1. Phase 1: Cost as a fixed term

The discussion about cost in the beginning of 20th century, up to around year 1950s, is related to the cost structure in factory of goods. Cost is defined as fixed term which is in general consists of material cost, direct labor cost, and overhead cost (Eggleston, 1906; Bentley, 1913; Lazarus, 1923; Eppston, 1920).

In the same period, the focus of the development of industry is efficiency and productivity as explained above. This is the beginning of mass production, in which the business process is dominated by factory works. Insignificant overhead cost makes the calculation of cost in many companies simple and similar (Turner, 1987).

3.2. Phase 2: Cost as a function

In the next period, range from 1950s to 1980s, costs take more functional role in managing the industry. The term job costing and process costing, marginal costing, absorption costing, are raised in this time, lead to the concept of cost of opportunity that emerged at the end of this era (Matz, 1950; Coolidge and Pfeiffer, 1956; De Vos, 1966; De Vos et al, 1968; Harman and Henrichsen, 1970; Morgan, 1970; Quade, 1971; Bethlehem, 1973; Arnstein, 1975).

In this period, the orientation of the industry development moves to performance increase (Turner, 1987). The concept of optimization, system engineering, reliability, system design, and resource management need more functional cost to support the decision making. The rise of digital computer technology enabling the more detail data recording and processing to support the computation complexity of those functional costs.

3.3. Phase 3: Cost as components

The period after 1980s up to 2000s is the period of discussing the detail of the cost components to get more appropriate measures in business decision. This is the era of the birth and development of ABC, a costing system

that has significant contribution in the change of accounting paradigm (Banker, 1981; Cooper and Kaplan, 1988; Gadd, 1989; Christensen and Demsky, 1995; Ruiz-Zaiko and Benjamin, 1997; Allen, 1999; Litman, 1999; Shank and Fisher, 1999; Westcott and Hoffman, 1999).

Driven by the emergence of service industries, the performance management becomes the focus of industry development during this period (Turner, 1987; Zandin and Maynard, 2004). The characteristic of companies become diverse, thus the requirement for managing their performance also spread. The cost components become specific for each company and activities become the driver of cost instead of products. ABC then takes role in many cases.

3.4. Phase 4: Cost as quality

After 2000s until now, the focus of cost is shifted to the more strategic measures (Zandin and Maynard, 2004), i.e. performance and quality (McLaren et al, 2002; Clerides, 2004; Phillips, 2009), inline with the focus of industry development in this period (Manufacturing Challenges for 2020, 1998).

The concept of cost as quality considers quality cost, which is consists of prevention cost, appraisal cost, and failure cost (Schiffauerova and Thomson, 2006), besides cost of activities/products in general. Placing cost as agent of quality becomes important in accordance to the nowadays issues such as concurrent engineering, integration of human and technical resources, the conversion of information to knowledge, environmental compatibility, reconfigurable enterprises, and innovative processes (Manufacturing Challenges for 2020, 1998).

4. AN EXAMPLE

The following description is a numerical example of a Lodgepole Pine Hardboard case, adapted from Coolidge and Pfeiffer (1956). The plant produces 1/8-inch-hardboard and 1/4-inch-hardboard. The pine logs as the raw materials are cut into chips and then are milled into fibers. The fibers are blended with some resin, pressed, humidified, resized, and packed before shipped.

The cost management will be different when it performed based on different point of view, i.e. when costs are viewed as fixed term likes what happen before 1950s, or when costs are viewed as its function in 1950s to 1980s, or when costs are viewed as components after 1980s up to 2000s, or when costs are viewed as a tool for quality enhancer after 2000s.

4.1. Case of cost as a fixed term

Costs can be viewed as fix term under assumption that the business process is simple. The company function is still dominated by manufacturing activities, and the condition of the environment (market, customer, and supplier) is relatively fixed. The costs can just be calculated and classified as material cost, utilities cost, direct labor cost, and overhead as presented in Table 1. The data in the table are based on the yearly production volume of 396,900 pieces of 1/8-inch-board and 396,900 1/4-inch-board.

Table 1.Example of costs as fixed terms			
Yearly cost (\$) of	Product		
	1/8 inch	1/4 inch	Total
Materials	13,360	26,720	40,080
Utilities	33,001	66,002	99,003
Direct labors	95,985	191,970	287,955
Overhead	83,411	166,823	250,234

4.2. Case of cost as a function

There are many approaches when cost is viewed as a function. One of those is job costing approach, which is used in the “make-to-order” environment. For example, when the order are 100,000 pieces of 1/8-inch-board and 200,000 of 1/4-inch-board that should be finished in 6 months, the costs are calculated based on order, as described in Table 2.

Table 2. Example of costs as function using job costing approach

Order cost (\$) of	100,000 pcs of 1/8 inch	200,000 pcs of 1/4 inch
Materials	3,366	13,464
Utilities	8,3145	33,259
Direct labors	24,184	96,735
Overhead, based on time consumed	41,706	83,411

4.3. Case of cost as components

As components, costs must be analyzed based on the elements of the business process. One outstanding approach in this point of view is ABC. The manufacturing process in the Lodgepole Pine Hardboard case can be described in activity detail as presented in Table 3. The costs then calculated based on those activities.

Table 3. Example of costs as components

Activity	Cost (\$) of			
	Material	Utilities	Direct Labor	Overhead
Logs storage	26,052		7,199	
Logs handling to shop floor			28,796	
Logs cutting into chips	2,004	9,900	14,398	
Chips screening and shorting			28,796	
Chips handling to chips storage			14,398	
Chips handling to cooker			14,398	
Chips cooking		19,801	7,199	
Chips handling to attrition mill			14,398	
Chips milling into fiber	2,004	9,900	7,199	
Fiber handling to blender			14,398	
Addition of resin and blending	4,008	9,900	14,398	
Fiber handling to felter			14,398	
Fiber mat cutting into boards	4,008	4,950	14,398	
Boards pre-pressing		4,950	14,398	
Boards hot pressing		19,801	7,199	
Boards humidifying and cauls feedback to pre-pressing		9,900	14,398	
Boards sizing		4,950	14,398	
Boards packing	2,004	4,950	28,796	
Boards handling to storage			14,398	
Total	40,080	99,003	287,955	250,234

4.4. Case of cost as quality

Costs as components will lead to the ability of the system to find the opportunity of cost improvement, or in other word, cost as quality point of view. For example, the original manufacturing process in Lodgepole Pine Hardboard case executes inspection of the end product and a certain amount of reject is scrapped out. The idea of doing inspection along the process then is raised. The inspection process creates efficiency in one hand because it is not necessary to process the unqualified material or intermediate products, but produces inspection cost in the other hand. However, when the idea of quality enhancement is well managed, the total cost will decrease, or if the total cost does not decrease, the final value of the business process will increase. In this example, the total cost decreases as described in Table 4.

Table 4. Example of costs as quality

Activity	Costs before in process inspection program					Costs after in process inspection program				
	Material	Utilities	Direct Labor	Overhead	Reject	Material	Utilities	Direct Labor	Overhead	Reject
Logs storage	26,052		7,199			26,052		7,199		
Inspection								4,799		5,005
Logs handling to shop floor			28,796					27,356		
Logs cutting into chips	2,004	9,900	14,398			1,904	9,405	13,678		
Chips screening and shorting			28,796		20,019			27,356		5,005
Chips handling to chips storage			14,398					13,678		
Chips handling to cooker			14,398					13,678		
Chips cooking		19,801	7,199				18,811	6,839		
Inspection								4,559		5,005
Chips handling to attrition mill			14,398					12,958		
Chips milling into fiber	2,004	9,900	7,199			1,804	8,910	6,479		
Inspection								4,319		5,005
Fiber handling to blender			14,398					12,238		
Addition of resin and blending	4,008	9,900	14,398			3,407	8,415	12,238		
Fiber handling to felter			14,398					12,238		
Fiber mat cutting into boards	4,008	4,950	14,398			3,407	4,208	12,238		
Boards pre-pressing		4,950	14,398				4,208	12,238		
Inspection								4,079		5,005
Boards hot pressing		19,801	7,199				16,831	6,119		
Inspection								4,079		5,005
Boards humidifying		9,900	14,398				8,415	12,238		
Boards sizing		4,950	14,398				4,208	12,238		
Inspection								4,079		5,005
Boards packing	2,004	4,950	28,796			1,603	3,960	23,036		
Boards handling to storage			14,398					11,518		
Overhead				200,187	70,066				200,187	35,033
Total			697,291					642,242		

5. A FUTURE OF COST

Figure 2 presents the overview of cost development stages discussed here, regarding to the changes of needs in industrial environment. The rightmost part of the figure is the future possibility of cost role and future opportunity of discussions or researches on cost.

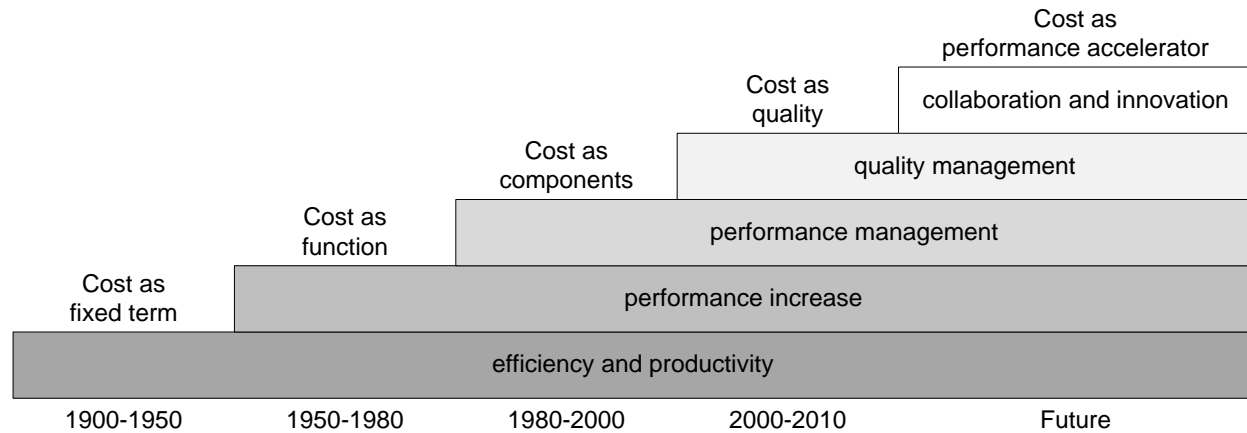


Figure 2. The stages of cost development

According to Manufacturing Challenges for 2020 (1998), the main issues up to year 2020 are concurrent engineering, integration of human and technical resources, conversion of information to knowledge, environmental compatibility, reconfigurable enterprises, and innovative processes. Concurrent engineering is a collaborative and innovative process which requires cost to identify the change of design performance in short time. Environment issues change fast and these are related to market acceptable performance of product as well as company. Reconfigurable enterprises are raised to bediscussed recently, for instance, the value chain and supply chain focus mentioned in Horngren et al (2012). This is also a collaborative process which heavily concerns to performance acceleration. Innovative processes in all aspects of industrial activities produce rapid performance increase. All of those activities need cost to accelerate the performance increase.

Some of nowadays researches has already discussed about cost in the context of performance, such as McLaren et al (2002), Clerides (2004), and Phillips (2009). McLaren et al (2002) proposes idea about supply chain (SC) cost in the context of applying different cost models on different systems and measuring the performances using benefit-cost term. Clerides (2004) discussed comprehensive cost system which is affected by the difference on quality, capacity, location, and quantity. Phillips (2009) defines cost effectiveness ratio (CER) for a health service system, i.e. ratio of intervention cost to health effect resulted such as age. However, those researches has not yet discussed about performance acceleration enforced by cost. In other words, to contribute to the future development of industry, cost as performance accelerator becomes opportunity for the future researches on cost.

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